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UNITED STATES

(SOUTHEASTERN STATES)

*A Guide for
Canadian Exporters*



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(aussi publié en français)

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UNITED STATES

(SOUTHEASTERN STATES)

A Guide for Canadian Exporters

TRADE OFFICE RESPONSIBLE:

Atlanta

TOTAL TRADE TERRITORY:

Alabama, Florida, Georgia, Mississippi, North and South
Carolina, Tennessee, Puerto Rico, British and U.S.
Virgin Islands

FOR FURTHER INFORMATION:

Commercial Division
Canadian Consulate General
4th Floor
400 Omni International
Atlanta, GA 30303, USA

Tel: (404) 577-6810

Telex: 005-42676 (DOMCAN ATL)

U.S. Trade Development Bureau
Department of External Affairs
Ottawa, Ontario
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I. GENERAL

Area and Geography

The commercial division of the Canadian Consulate General in Atlanta covers the entire southeastern United States, comprising Alabama, Florida, Georgia, Mississippi, North and South Carolina and Tennessee. This area covers 887,452 km² (342,646 sq. miles), almost 10 per cent of the entire land territory of the United States, and is about the size of France and West Germany combined. The population in these seven states is approximately 34.8 million, more than 14 per cent of the total U.S. population.

In addition to the southeastern United States, the Consulate General in Atlanta is also responsible for Puerto Rico and the British and U.S. Virgin Islands. This area has a combined population of 3.8 million.

Topography

The seven states covered by the Consulate General in Atlanta represent approximately 20 per cent of the entire shoreline of the continental United States. Several major U.S. cities are located along this coastline, principally Charleston, Savannah, Jacksonville, Miami, St. Petersburg, Panama City (Florida) and Mobile.

Besides the extensive shoreline, the territory includes the southern extremities of the Appalachian Mountains in North Carolina, Tennessee, Georgia and North Alabama. This area is extensively forested. South of Atlanta, the land becomes coastal plains extending through Southern Georgia, Alabama, Mississippi and Northern Florida. Atlanta, the major city in the territory is more than 300 m (1,000 ft.) in elevation, making it the second highest major U.S. city.

Puerto Rico and the Virgin Islands are located in the Greater Antilles chain in the Caribbean, east of Cuba and west of the Windward and Leeward Islands, in the Lesser Antilles. The beaches of Puerto Rico are on both the Atlantic and the Caribbean sides, with an extensive rain forest in the centre of the island.

Climate

While the climate is varied and changeable, in general it is hotter than in any part of Canada but, although the winters are not as severe, snow is not uncommon in parts of Tennessee and the Carolinas. Snow rarely falls in Atlanta and south of it. While the Orlando, Florida area has experienced frigid weather, south Florida is rarely exposed to freezing temperatures. The summer months in the entire territory tend to be quite long, very hot and extremely humid. The climate of Puerto Rico is summery year round, with an evening low of approximately 18° and a daytime high of approximately 29°C.

Local Time

The territory covered by the Consulate General in Atlanta spans three time zones: from Puerto Rico and the Virgin Islands in the Atlantic Time Zone, and through the majority of the territory of the Carolinas, eastern Tennessee, Georgia and Florida in the Eastern Time Zone, while Alabama, Mississippi and western Tennessee are in the Central Time Zone.

Population of the Principal Cities (1980)

The territory covered by the Consulate General in Atlanta comprises many important and growing urban centres. The following are the principal cities and their populations:

Atlanta	2,064,200
Birmingham	853,100
Charleston	436,800
Charlotte	643,000
Fort Lauderdale	1,112,000
Greater Greensboro	834,200
Greenville	587,000
Jackson	325,200
Jacksonville	754,000
Memphis	928,000
Miami	1,719,200
Mobile	447,800
Nashville	862,200
Orlando	746,000
San Juan	900,000
St. Petersburg-Tampa	1,650,000

Market Facts

Alabama

Area: 133,667 km² (51,609 sq. mi.); ranking 29th among the States

Population: 3,921,900

Per capita income: \$7,733

Capital: Montgomery

Main commercial centres: Birmingham, Mobile, Montgomery

Leading Industries: Primary and fabricated metals, oil and gas production, machinery, textiles, pulp and paper, chemicals, lumber and wood products, steel, coal mining

Major agricultural production: Broilers, eggs, cotton, soybeans

Florida

Area: 151,670 km² (58,560 sq. mi.); ranking 22nd among the States

Population: 10,026,000

Per capita income: \$9,199

Capital: Tallahassee

Main commercial centres: Jacksonville, Miami, Orlando, St. Petersburg, Tampa

Leading industries: Tourism, manufacturing aircraft, electronics, research and engineering, shipping and phosphate mining

Major agricultural production: Citrus fruits, tobacco, eggs, tomatoes, lettuce, sugar, cattle

Georgia

Area: 152,489 km² (58,876 sq. mi.); ranking 21st among the States

Population: 5,536,400

Per capita income: \$8,192

Capital: Atlanta

Main commercial centres: Atlanta, Macon, Savannah

Leading industries: Textiles, apparel, transportation equipment, pulp and paper products, electronics, consulting, engineering, feature-film production, convention industry and military aircraft manufacturing

Major agricultural production: Broilers, eggs, cotton, tobacco, corn and soybeans

Mississippi

Area: 123,584 km² (47,716 sq. mi.); ranking 32nd among the States

Population: 2,540,200

Per capita income: \$6,682

Capital: Jackson

Main commercial centre: Jackson

Leading industries: Shipyards, oil refining, chemicals, pulp and paper, pharmaceuticals and transportation equipment, oil and gas production

Major agricultural production: Cotton, soybeans, eggs and broilers

North Carolina

Area: 136,198 km² (52,586 sq. mi.); ranking 28th among the States

Population: 5,930,600

Per capita income: \$8,121

Capital: Raleigh

Main commercial centres: Charlotte, Greensboro, Raleigh

Leading industries: Furniture, textiles, basic aluminum production and manufacturing, construction companies, plastics manufacturing

Major agricultural production: Soybeans, broilers, eggs, corn, tobacco and tree fruits

South Carolina

Area: 80,432 km² (31,055 sq. mi.); ranking 40th among the States

Population: 3,157,700

Per capita income: \$7,672

Capital: Columbia

Main commercial centres: Charleston, Columbia, Greenville, Spartanburg

Leading industries: Apparel, paper, chemicals, furniture, machinery, kaolin, general textile

Major agricultural production: Tobacco, cotton and tree fruits

Tennessee

Area: 109,412 km² (42,244 sq. mi.); ranking 34th among the States

Population: 4,640,500

Per capita income: \$7,974

Capital: Nashville

Main commercial centres: Knoxville, Memphis,
Nashville

Leading Industries: Furniture, pulp and paper, transportation equipment, recording studios
and mining (copper-zinc, coal)

Major agricultural production: Cotton, tobacco, corn and
soybeans

Puerto Rico

Area: 8,897 km² (3,435 sq. mi.)

Population: 3,176,000

Per capita income: \$2,860

Capital: San Juan

Main commercial centres: Hato Rey, San Juan, Arecibo,
Mayaguez, Ponce

Leading Industries: Tourism, food processing, apparel,
footwear, metallurgy, petrochemicals, pharmaceutical products, electrical and electronic products, personal care products, rum, tuna and
pineapple canning

Major agricultural production: Dairy products and sugar
cane

Weights and Measures; Electricity

1 U.S. pint	16 fluid ounces	473.1 millilitres
1 U.S. quart	32 fluid ounces	946.2 millilitres
1 U.S. gallon	128 fluid ounces	3.8 litres
1 Imperial gallon	1.2 U.S. gallons	4.5 litres

Electricity for domestic use is supplied at 115 volts,
60 cycles AC.

U.S. Federal Public Legal Holidays*

New Year's Day — *January 1*

Washington's Birthday — *February, third Monday*

Memorial Day — *May, last Monday*

Independence Day — *July 4*

Labor Day — *September, first Monday*

Columbus Day — *October, second monday*

Veterans Day — *November 11*

Thanksgiving Day — *November, fourth Thursday*

Christmas Day — *December 25*

* You should check with the Canadian Consulate General regarding any local public holidays in addition to federal public holidays, that might affect your visit plans.

The Canadian Consulate General itself observes a total of 11 statutory holidays made up of some of the main American and Canadian holidays.

Transportation

Air

There is daily, nonstop service from the Miami-Tampa to Montreal-Toronto on both Air Canada and Eastern Airlines. The following airlines provide direct daily services from cities in Canada to Atlanta and Florida:

Eastern	Toronto-Atlanta-Florida
Delta	Montreal-Atlanta-Florida
Republic	Toronto-Atlanta
Frontier	Vancouver-Calgary-Atlanta
Northwest Orient	Edmonton-Winnipeg- Minneapolis-Atlanta

Rail

Daily rail service is provided by the Amtrak system through Atlanta to Miami. Rail freight is provided through several intermodal carriers, Southern Railway and the Chessie System being the largest.

Truck

A number of carriers provide direct service from the Toronto and Montreal areas to most parts of the territory, by road or by piggyback rail systems, to numerous warehouse locations. The principal truck lines are:

Spector Freight System (does not serve Alabama or
1050 Kingery Highway Florida markets)
Bensenville, IL 60606, USA

Carolina Freight Carriers Corp.
P.O. Box 697
James Justiss, Dir. International Sales
Cherryville, NC 28021, USA

Pilot Freight Carriers
4103 Cherry Street
Winston-Salem, NC, USA

Yellow Freight Carriers
1099 Roe Avenue
Overland Park, KS 66207, USA

Maislin Bros. Transportation Ltd.
7401, rue Newman
Montréal (Québec) Canada

Roadway Express Inc.
1077 Gorge Boulevard
Akron, Ohio 44309

Consolidated Freight Ways
1621 Northwest 21st Avenue
Portland, OR, USA

Ryder Truck Lines Inc.
P.O. Box 2408
Jacksonville, FL 32203, USA

Water

Regular service is provided to Puerto Rico from Canadian ports and by container through several U.S. ports, principally New York City, New Jersey, Jacksonville and Baltimore. In addition, the Mississippi River Barge System provides barge traffic along the Mississippi, past the western portion of the territory covered by the Consulate General — namely, the States of Tennessee and Mississippi. The development of the Tennessee-Tombigbee waterway will also provide access to Alabama via the Mississippi River.

II. ECONOMY AND INDUSTRY

General

The 1980 U.S. Census has confirmed the increasing importance of the sunbelt in terms both of population and of manufacturing shifts to the area. The current recession in the U.S. is centered mostly around the northcentral and northeastern regions, and has been less evident in the southeast. The sunbelt normally comprises the southeastern U.S., Texas and the Far West, including southern California.

Nowhere, however, has the increase in population been more dramatic than in the southeast, which has out-distanced Texas, as well as California, in both percentage and numerical increase. Relocations of existing U.S. corporations to the southeast and new investment by both U.S. and foreign corporations, mainly in high technology and other clean industries, are the major reasons for that growth.

There has been a significant revitalization in the southeast, with a rapid movement away from dependence on agriculture (for both state income and employment), and greater emphasis on the high-technology areas, principally in the states of North Carolina, Georgia and Florida. The change is reflected predominantly in the dramatic increase of the Daytona-Orlando-St. Petersburg section of Florida, as well as in Fort Lauderdale. Statistics show that the highest concentration of PhDs per capita is now in the Raleigh-Durham area of North Carolina — a shift from the traditional areas of Boston and northern California's Silicon Valley. Tourism will remain an important economic staple in the southeast, not only in the coastal areas of North and South Carolina and the mountain areas of North Carolina, Tennessee and Georgia, but quite predominantly along the entire Florida coastline, with rapid growth reported in the Alabama-Mississippi Gulf area. The expansion of Disney World and the addition of other tourist oriented investments in that area, coupled with the resurgence of the U.S. Space Program, has spurred the expansion of tourism to the state of Florida. Approximately 2 million Canadians vacation in Florida each year.

A more recent phenomenon that will have long-term effects in the southeast, is the resurgence of the forest industry, particularly in the pulp and paper sectors. This is typified by the relocation of the giant forest-products firm, Georgia-Pacific, from the Pacific northwest area to Atlanta. Other U.S. forestry firms and peripheral forestry-related-equipment manufacturers and suppliers will be relocating in this revitalized area. The states expected to benefit the most are Georgia, Alabama, Mississippi, North Carolina and Tennessee.

There are two other notable characteristics of the southeastern United States that will have a long-term economic impact and, thus, deserve mentioning. One is the growing importance of Atlanta as one of the three major convention centres in the United States (after Chicago and Anaheim). The doubling of existing convention facilities, which is expected to soon make Atlanta the number one location, is spurring dramatic growth in other service facilities — mainly hotels and principally in the Atlanta area, which is the distribution hub of the southeast. The second notable characteristic of this territory is the emergence of Miami as a "Latin Window." Increasingly, firms are locating in the Miami area, principally Coral Gables, and are completely oriented toward the Caribbean and Central and Latin America. Multinational, as well as smaller trading houses, locate in Miami because of the available Spanish-speaking work force, and the ease with which one can travel to and communicate with the South American and Caribbean regions.

Alabama

Alabama's reserve of natural resources is estimated to be 10 per cent of the nation's total. Alabama is the only area in the world where the wherewithal for steelmaking is found inside a 40 km (25 mi) radius. The state ranks second in the south in pulp production, due to its 8.9 million hectare (22 million acre) expanse of commercial forest land. It boasts 8 billion tons of iron ore and an annual production of crude oil, natural gas liquids and natural gas equalling almost \$40,000,000. On the shores of Alabama's Lake Wheeler, the Tennessee Valley Authority (TVA) is constructing a 3.5-million-kilowatt nuclear plant which, when completed, will be the world's largest nuclear facility.

Major industries are primary and fabricated metals, machinery, textiles, pulp and paper, chemicals, and

lumber and wood products. There are more than 4,900 manufacturers in the state, representing some 22 standard industrial classification categories.

Alabama ranks third in the U.S. for broiler production, sixth in eggs, ninth in cotton production and seventh in coal production.

Florida

One of the strongest pillars of the state's economy is its wealth of natural resources. Recent oil and natural gas discoveries have been listed among the most significant in the continental United States. Mining, while the smallest employer in the industrial sector, contributes greatly to the state's economic development. Rich phosphate deposits account for Florida's national prominence in phosphate rock production — supplying 83 per cent of national needs and ranking second only to Morocco as a world exporter. Commercial forest land covers approximately 6.6 million hectares (16.2 million acres): nearly 50 per cent of the total land area. The forest industry is a major contributor to the state's economy. With the longest coastline in the continental U.S., Florida has a wealth of marine resources and an important food-fish industry. In addition to California and Texas, Florida is a national leader in new construction starts. Miami is a major distribution point (land, sea, air) to the Caribbean, Central and South America.

Tourism is still the state's greatest single source of income, pumping billions of dollars into Florida's economy every year. This is heightened by Disney World in Orlando and the numerous attractions situated nearby. Known worldwide as a leader in aerospace, Florida is known as a space-age centre.

Aircraft, electronics, research and engineering figure vitally in the state's industrial profile. Agribusiness is also a major industry, with national prominence in fruit, particularly citrus and vegetable-growing. In other agricultural categories, Florida ranks third nationally in beef cattle production, ninth in commercial egg production and seventh in tobacco.

Georgia

One of the largest industrial mineral producers in the U.S., Georgia leads the world in the mining of kaolin, kyanite, fuller's earth, in the quarrying of granite and marble, and is second in the nation in the production of

titanium and zircon concentrates. Georgia ranks second in the U.S. for commercial forest land and is the number one pulpwood producer in the nation. Forest-related production generates \$4 billion for the state's economy. Georgia now exports to such unlikely places as Scandinavia, and it now rivals Canada on many world markets. More than 1.8 billion board feet of lumber is produced per year.

Georgia has been historically an agricultural state, and farming is still a major business in the state, owing in part to diverse soil types and to a growing season ranging from 179 days in the north to 270 days in the south. There are 17 million acres farmed. Agricultural production is gradually shifting from cotton to soybeans — the leading cash crop — and corn. Georgia remains the number one producer of peanuts in the U.S. It ranks second nationally in broiler and commercial egg production and is sixth nationally in tobacco production.

Typical of the "new south," Georgia's value of factory products has surpassed the value of her farm products, and the industrialization that was the keynote of the Seventies should continue through the Eighties. In the southeast, Georgia ranks first in apparel production and in the manufacture of transportation equipment. Eight northwestern counties in Georgia produce most of the nation's tufted textiles. Chemical production is heavy along the Georgia coast and the Savannah River. The northeast portion of the state emphasizes poultry processing, while the major industry in the east central area is mining. Southwest Georgia specializes in naval stores (resin, turpentine), providing almost half the world supply.

Forested land has also provided the state with the raw materials that enable it to lead the nation in paper and paperboard production.

Georgia has consistently ranked among the three states most favored by foreign investors, particularly Japanese and European.

Mississippi

Electricity and natural gas supply most of Mississippi's power and fuel requirements. The state ranks tenth in natural-gas production and ninth in oil production. Heavy deposits of salt, sand and clay, iron ore and limestone are also present. Mississippi's abundant water resources include the Mississippi River and numerous reservoirs, lakes, rivers and artesian wells scattered

throughout the state. The average annual rainfall in Mississippi is 134.6 cm (53 in.).

Approximately 6.9 million hectares (17 million acres) — 56 per cent of the total land area — are classified as commercial forests.

Until the past decade, Mississippi has ranked among the least industrialized states, with more than half its population earning its livelihood from the soil. Following acceleration of an existing industrialization program, Mississippi now boasts more than 3,500 factories, and manufacturing has become the state's largest employer and its main source of personal income. The state's famed shipyards oil refineries, chemical plants and other factories produce pharmaceuticals, pulp and paper products, transportation equipment, furniture and clothing. Lumbering is an important industry, and agribusiness yields large crops of cotton, corn, peanuts, oats, rice, sugar cane and soybeans. Mississippi ranks second nationally in cotton production, eighth in soybeans, fifth in broilers and tenth in eggs.

North Carolina

North Carolina's natural resources include large forested tracts that support a sizeable pulp and paper industry and make the state the fifth largest lumber producer in the nation. There are a variety of minerals, including clays, shales, phosphate, lithium, feldspar, kyanite and mica. The state has extensive river resources, among them five navigable rivers in the eastern region that broaden into sounds leading into the Atlantic.

A major manufacturing state, North Carolina ranks twelfth in the nation in industrial output and is a primary aluminum producer. It is also the U.S. centre for furniture manufacturing. Traditional industries like tobacco processing and textiles are being augmented by new developments in metalworking, electronics, chemicals, paper products and plastics. North Carolina leads the southeast in numbers of workers engaged in manufacturing, and greater emphasis is being placed on high-technology operations. The Raleigh-Durham area has the highest per capita concentration of PhDs — particularly in electronics — of any state. North Carolina perennially leads the nation in new foreign investments, mainly from Western Europe. North Carolina ranks number one nationally in tobacco production, fourth in broilers and eggs, and tenth in soybeans.

South Carolina

The state lays claim to considerable areas of pine forests, commercial fishing and some mineral resources (kyanite, kaolin, mica, stone and granite). The state boasts the only active gold mining operations in the southeastern U.S. Diversity of soil types makes for a versatile agriculture — which is still an important economic generator. Farm production includes peaches, cotton, corn, tobacco, soybeans, sweet potatoes, peanuts, grapes and truck vegetables.

The state's manufacturing activities date back to pre-Civil War days, with the introduction of textile manufacturing which continues to be a major industry centre for the U.S. textile industry. Diversification through the years has broadened the manufacturing base to include apparel, paper, chemicals, processed food, furniture and machinery. Considerable foreign investment from Western Europe has produced a sizeable pharmaceutical industry. Tourism is a significant income for the state, which has mountains and lakes as well as Atlantic-shoreline facilities such as Myrtle Beach, Charleston and Hilton Head. South Carolina ranks fourth in tobacco production and tenth in cotton.

Tennessee

A total of 29 major lakes, more than 3,200 km (2,000 mi) of major streams, and three major river systems give Tennessee a priceless source of water and power for industrial, municipal and recreational use. The abundant electric power developed by the Tennessee Authority (TVA) continues to be an important factor in attracting industry to the state.

Mineral resources are plentiful and they include deposits of zinc, silver, marble, oil and gas, copper, clay, coal, phosphate rock, sand and gravel. Tennessee is the largest producer of ball clay and zinc in the U.S. and the south's only major copper producer. It also ranks ninth in the U.S. for coal production. Forests, principally hardwood, cover 52 per cent of the total area of the state. Forest related industries — including sawmills, planing mills, furniture factories and pulp and paper mills — make up a substantial segment of the state's 5,000 manufacturing plants. Tennessee is the largest printing centre in the south and a leading furniture manufacturing centre for the nation, and it boasts the largest concentration of tool and die, and heat-treating firms in the south. In addition, leading the

state's production lists are chemicals, electrical machinery, textiles and apparel.

Tennessee is also a major U.S. musical recording centre. The state was recently selected as the site for Nissan Motors' North American plant and will soon be producing Datsun trucks. Tennessee ranks number five nationally in tobacco production and eighth in cotton production.

Major Areas of Export Opportunities

Canadian firms can look forward to virtually unlimited opportunities in the southeast. (The tables on pages 52 and 54 indicate the major Canadian exports to the southeast.)

Although the southeast generally has the lowest per capita earnings of the various regions in the United States, the transformation from an agrarian base to industrialization and high-technology manufacturing, should result in dramatic increases in per capita income.

There are a few areas that we strongly suggest Canadian firms investigate, among them:

- forestry machinery, both for harvesting and for pulp and paper production;
- forestry-related services and supplies;
- replacement livestock (dairy cattle, beef cattle, swine);
- fish and food products;
- agricultural machinery and irrigation equipment;
- transportation equipment (including mass transit);
- furniture (both residential and contract);
- lumber and millwork equipment (including cabinetry);
- defence related supplies, including high-technology subcomponents;
- communications equipment.

The above are only the prime examples and are not meant to be all-inclusive. The growing population of the southeast, at present 34.8 million people, suggests an open range of consumer goods — with the exception of heavy outerwear.

Defence Products

Access to the U.S. defence equipment market is facilitated by the Canada-U.S. Defence Development and Defence Production Sharing Agreements, under whose terms Canadian defence equipment can be imported to the U.S. free of duty and of Buy American restrictions. Local buyers will therefore evaluate Canadian firms on the same price-quality-delivery formula they apply to their U.S. suppliers.

Canadian firms can enter this market by: (a) bidding on prime contracts issued by various Department of Defence procurement agencies, or through solicitations received from those agencies by the Canadian Commercial Corporation; and (b) by selling to U.S. companies that have been awarded prime contracts. The Trade Commissioner responsible for defence can provide information on bidding procedures and assistance in identifying potential companies. Also, detailed information on Department of Defence procurement procedures are outlined in the following publications, which can be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington, D C 20402: "Selling to the Military" (stock no. 008-000-00345-9) and "Doing Business with the Department of Defense — A guide to foreign firms."

Information on marketing to the U.S. Department of Defence, to U.S. Defense contractors and on the Canada-United States Defence Sharing Arrangements can be obtained from:

Director, United States Division (DDU)
Defence Programs Bureau
Department of External Affairs
Ottawa, Ontario
K1A 0H5

As mentioned, the Canadian Commercial Corporation (CCC) receives bid packages from the procuring military agencies. Thus, suppliers should establish contact with the CCC to obtain information on such opportunities. Suppliers can receive bid packages directly from the agencies if they have registered with them. The responses to direct solicitations, however, must normally be submitted through the CCC.

The southeastern United States offer extensive and varied defence opportunities, both through the prime contractors in the private sector and through direct contact with the military.

The major bases for procurement in the southeast are the Marine Corps Logistic Center in Albany, Georgia; Robins Air Force Base in Warner Robins, Georgia; the Naval Training Equipment Center, Orlando, Florida; and Eglin Air Force Base, Fort Walton Beach, Florida. Primary purchases are in the electronic components and electrical sector, auto parts and accessories, aeronautical parts and accessories, standard commercial articles, mechanical equipment such as valves and fittings, pumps and motors and test equipment. More specific procurement takes place in such areas as guided missile systems and components, aircraft structural components and instruments, training devices, munitions and related equipment, and heavy equipment.

In addition to contacting the numerous bases throughout the southeast, Canadian firms must also liaise both with the Canadian Commercial Corporation in order to be placed on the bidder's list for solicitations released by the Department of Defence; and, equally important, they must contact the Director of Industrial Security at the U.S. Department of Supply and Services to secure the necessary clearances for base visits. It is essential to abide by this procedure in order to avoid the extensive and aggravating wastes of time that will result if it is ignored.

In the private sector, extensive opportunities are also presented by the major prime contractors in the southeastern part of the United States. The procurement departments of companies like Lockheed Co. of Georgia; AVCO Aerostructures, Nashville, Tennessee; Bendix; Harris Corp.; Honeywell; Martin Marietta; E Systems and Westinghouse, should all be visited personally so as to better understand their ongoing requirements. Facility brochures and quality control manuals have little impact unless the marketing arm of the Canadian company is prepared to pay a personal visit to the major prime contractors. In most instances, the contractors are not interested in seeing U.S. representatives of the Canadian firm: they prefer personal discussions with executives of the aspiring Canadian firm.

In most cases — not all — Canadian firms have to look at a subcontract role. Opportunities for complete systems are of course not as extensive as component supply has been to this date. Canadian firms should also understand that, when quoting to American firms, it is almost mandatory to ensure that the latter is not

responsible for customs documentation. Firms proposing to market in the southeast are advised to contact the Canadian Consulate General, so that its personnel can assist in arranging the necessary appointments with the appropriate engineers, specifiers, buyers and contracts officers.

III. SELLING IN THE SOUTHEASTERN STATES

The Untapped Market

The southeastern United States probably represents the largest untapped U.S. market for Canadian products. As the move to the sunbelt increases, however, and investment by both U.S. and foreign-based companies in the southeast accelerates, the area will become increasingly important to Canadian suppliers. Southeastern U.S. businessmen generally are becoming more and more aware of Canada as a reliable source of goods and services.

Several developments in recent years have made this market even more attractive. The most significant are: the emerging importance of Atlanta as a convention centre; the city of Miami as a Latin centre with strong and developing ties to the Caribbean, Central America, Latin America markets through the use of Spanish; and the increasing importance of military procurement bases located in this region.

Routing Business Calls

The buying locations in the territory covered by the Consulate General in Atlanta are varied. While Atlanta is one of the major centres and the hub of the southeast, major buying decisions are made also in Charlotte, North Carolina, Greenville, South Carolina, Nashville-Memphis, Tennessee and Birmingham, Alabama, as well as in the major Florida centres of Tampa-St. Petersburg, and Miami-Fort Lauderdale-Orlando. Buying decisions for Puerto Rico and the Virgin Islands are normally made in San Juan, Puerto Rico. Depending upon the commodity, a Canadian businessman may bypass Atlanta, since his buying connection may be in one of the other major metropolitan centres within the territory covered by the Consulate General in Atlanta.

The Canadian Image

Southeastern U.S. businessmen, as well as those in Puerto Rico, are becoming more aware of the high level

of development of Canadian industry. With time, their misconceptions about Canadian design and quality are being eradicated.

Canadian suppliers can take advantage of the fact that many U.S. firms do not regard Canadian products as "foreign" and, consequently, buy and invoice them through domestic purchasing departments. Proximity to Canada, coupled with personal and corporate connections, can result in competitive transportation costs and delivery times, and a receptivity to purchasing on the same basis as from domestic U.S. sources. That does not remove the need for Canadians to expend full marketing efforts to establish acceptance of their wares on the basis of design and quality.

Before selling to the United States, Canadian companies should be prepared to:

- pursue business on a continuing basis;
- make the first impression a positive one, to a degree they might not consider important in Canada;
- quote, deliver and follow up aggressively in competition with U.S. suppliers.

The Initial Approach

The best introduction is by personal visit. A representative or distributor may be appointed later, but large-volume buyers usually want to meet their prospective suppliers personally.

Appointments with individual buyers are often necessary. As a matter of good form, it is usually advisable to start with the director of purchasing or his equivalent and, through him, meet the proper buyers. Advance notification in this case is also suggested.

It is important to make a complete presentation on the first call. Your presentation should include literature, specifications, samples, if possible, and all the price, delivery and quality-control information a buyer needs to evaluate your capabilities against his current sources. Many buyers keep up-to-date records on their suppliers. A favorable impression is made if, at the time of your first visit, you provide a résumé including:

- your name, address and telephone number;
- the name, address and telephone number of your local representative, if you have one;
- the date on which your firm was established;

- the size of your plant;
- its location;
- the number of your employees;
- your main products;
- a description of your production facilities and equipment;
- a description of your quality-control facilities and procedures;
- the transportation facilities available to you;
- the approximate volume of your yearly sales;
- a representative list of customers;
- your financial and credit ratings.

We suggest nonetheless that, before you visit this region, you write to the Canadian Consulate General, Commercial Division, 4th Floor, 400 Omni International, Atlanta, GA 30343, USA, to obtain some preliminary information on opportunities existing there. Your letter should contain the following information:

- a summary of your previous experience of this market;
- the channel of distribution you wish to pursue;
- prices (U.S. dollars) f.o.b. factory, but also c.i.f. Atlanta, including U.S. customs duties;
- delivery schedule, from date of receipt of order;
- warranty offered;
- rate of commission to manufacturer's representative or percentage discount structure for a distributor.

Reciprocal Visits

Many buying organizations survey new vendor's facilities personally before placing continuing business. If prospective buyers don't come as a matter of course, it's good sales strategy to invite them.

Following up the Initial Call

United States buyers expect to be called upon more frequently than their Canadian counterparts — perhaps as often as every two weeks at some periods of the buying year. Although some Canadian companies may lack the sales force to effect such frequent visits, the problem can be overcome by appointing a manufacturer's representative or selling through brokers, jobbers or distributors — as the situation warrants.

Price Quotations

Quotations should be submitted both on a laid-down basis, buyer's warehouse (or factory) or an American port of entry; and on an f.o.b. Canadian plan-basis, exclusive of Canadian sales and excise taxes. Unless specifically requested otherwise, *always quote in U.S. funds*. The landed price should include transportation charges, U.S. customs duties as applicable, brokerage fees and insurance. The quotation should be comparable in format to quotations from United States sources. Buyers cannot be expected to understand or be sympathetic with customs duties or other matters peculiar to international transactions. That is solely the responsibility of the Canadian exporter and a "cost" of international business.

Canadian exporters may not be granted the same opportunities for renegotiating initial quotations that they have been accustomed to in Canada. That is because U.S. buyers must often work to tighter purchasing deadlines and target prices. Thus, they may have to accept the first bid as final.

The Manufacturer's Representative

Recourse to a commission agent or manufacturer's representative is more a commonly used sales technique in the United States than in Canada. The better "reps" are highly qualified by education, training and experience. They know their customers and call regularly, not only on buyers, but on engineering, design and quality control officers as well. The advantages of using a rep include economy: closer (sometimes social) contacts with buyers, and closeness to the scene of possible problems. The Canadian Consulate General in Atlanta maintains information on most of the manufacturer's representatives in its territory and can often make suitable suggestions for Canadian manufacturers.

Delivery

Delivery must be exactly to customer's specifications — and they are as rigid as any in the world. Many U.S. plants work on inventories as short as one or two days, so that they could be shut down by a delay of a few hours. Failure to adhere to rigid delivery schedules is one of the surest ways of not being asked to quote again.

IV. SERVICES FOR EXPORTERS

Banking

Four of Canada's five largest banks operate in the southeast. The Bank of Nova Scotia, the Canadian Imperial Bank of Commerce, the Toronto-Dominion Bank and the Royal Bank of Canada all maintain offices in Atlanta. The Bank of Nova Scotia and the Royal Bank of Canada maintain offices in Miami and, in addition, the Royal Trust Company has a wholly owned bank in Florida called The Royal Trust Bank.

The Royal Bank of Canada also maintains its corporate headquarters for Latin America in Miami. It is headed by a Royal Bank Vice-President and General Manager.

Representatives from other Canadian banks visit the territory on a frequent basis, and the international departments of all banks are in a position to assist Canadian exports. Please refer to Chapter VII of this booklet ("Useful Addresses") for a listing of prominent U.S. banks in each of the states covered by the Consulate General in Atlanta.

Patents, Trademarks and Copyrights

General

An informative booklet entitled "General Information Concerning Patents" is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20302, USA.

Patents

All business with the Patent Office should be transacted in writing, and all letters should be addressed to the Commissioner of Patents, Washington, DC 20231, USA.

U.S. patent laws make no discrimination with respect to the citizenship of the inventor. It is the inventor, however, who must make application for patent and sign related papers (with certain exceptions).

Most inventors employ the services of patent attorneys or patent agents. The Patent Office cannot recommend

any particular attorney or agent, but it does publish a list of all registered patent attorneys and agents who are willing to accept new clients, and lists them by states, cities and foreign countries.

Trademarks

A trademark relates to the name or symbol used in trade to indicate the source or origin of goods. Trademark rights will prevent others from using the same trademark on identical goods, but will not prevent others from making these same products without the trademark.

The procedure relating to the registration of trademarks and some general information on trademarks is given in a pamphlet called "General Information Trademarks" which can be obtained from the Patent Office.

Copyright

Copyright protects an author's writings against copying. Literary, dramatic, musical and artistic works are included within the protection of the copyright law, which, in some instances, also confers performing and recording rights. The copyright refers to the form of expression rather than the subject matter.

NOTE: Copyrights are registered in the Copyright Office in the Library of Congress, and the Patent Office has nothing whatever to do with copyrights. Information concerning copyrights may be obtained from: Register of Copyrights, Library of Congress, Washington, DC 20540, USA.

Licensing and Joint Ventures

If you wish to market a patented invention or product in the United States, either under a joint licensing agreement or some other arrangement, the Canadian Consulate General in Atlanta can help you choose a firm specializing in patent and marketing services.

Commercial Disputes

In the event of a dispute, a Canadian firm can seek advice from the Canadian Council, International Chamber of Commerce, c/o the Canadian Chamber of Commerce, 1080, côte du Beaver Hall, Montréal (Québec) H2Z 1T2.

V. CUSTOMS REGULATIONS AND DOCUMENTATION

U.S. Exports to Canada

Enquiries concerning the importation of U.S. products into Canada should be referred to the United States Embassy, 100 Wellington Street, Ottawa, or the U.S. Consulate or Consulate General in Vancouver, Calgary, Winnipeg, Toronto, Montréal, Québec, Saint John, Halifax or St. John's.

Canadian Export Documents

Canadian exports to the United States, including returned American merchandise, should be accompanied by Canada Customs export form B-13. Canada Customs normally requires three copies at the time of exportation, one of which is returned to the exporter. It should be noted that Canada Customs has a monthly summary reporting system available to large-volume exporters. Further information on the summary reporting system, as well as supplies of B-13 forms, may be obtained from Canada Customs.

U.S. Customs and Market Access Information

To enjoy success in the United States market, a Canadian exporter requires market access information on Customs documentation, tariff classification, and value for duty and rates of duty, as well as on the many other U.S. laws affecting imports — such as food and drugs, consumer-product safety, environmental protection, etc.

Accordingly, Canadian exporters of products destined for the U.S. are strongly urged to obtain such market access information from:

United States Tariff Affairs Division (TWT)
Department of External Affairs
Ottawa, Ontario
K1A 0H5

Tel: (613) 996-5471

The Division contacts U.S. Customs and other agencies on behalf of Canadian exporters and, over the years, has developed an in-depth knowledge of the interpretation and implementation of U.S. tariffs and regulations related to access for imports into the U.S. market.

The Division can also provide Canadian exporters with information and assistance with respect to the labeling of food, drug, cosmetic and alcohol products; customs penalty assessments; antidumping and countervail issues; customs valuation; consumer-product safety standards; and other questions related to U.S. market access.

U.S. Customs Tariff Classification, Documentation and Regulations

Request for a Binding Tariff Classification Ruling

The Tariff Affairs Division can obtain a binding tariff classification ruling from the U.S. Customs Service on behalf of a Canadian exporter, for a prospective transaction (i.e. articles which have not yet been exported to the U.S. and are not at the time, nor have been previously, under consideration by the U.S. Customs Service). Such a ruling is considered "binding" in that it will be honored at all U.S. Customs ports of entry and thereby ensures that the exporter will receive uniformity in tariff treatment regardless of which U.S. port of entry is used.

To obtain such a ruling, the exporter must submit the following information. Failure to supply all of it would only result in delays and confusion for him:

- 1) a written request signed by a person who has a direct and demonstrable interest in the question, confirming that the merchandise or subject of the request has not been previously, nor is at the time of writing, under consideration by the U.S. Customs Service;
- 2) a full and complete description of the article;
- 3) indication of its chief use in the United States;
- 4) its commercial, common or technical designation;
- 5) where the article is composed of two or more materials, the relative quantity (by weight and volume) and the value of each material;

- 6) textile materials and articles should be identified as in (5) and should include the method of construction (such as knit or woven), the fibres present and, if it is an article of apparel, for whom it is intended (e.g. child, man or woman);
- 7) chemical products should be identified by their specifications and chemical analysis, and a sample should be submitted for U.S. Customs use;
- 8) generally, a sample and descriptive literature of the article should be submitted; a photograph, drawing or other pictorial representation of the article should be submitted when samples are not sent.

NOTE:

- a) Samples are not usually returned by U.S. Customs, since they form part of their file. If return of a sample is desired, it can be requested.
- b) Privileged or confidential information should be clearly marked as such, and an explanation as to why it is considered confidential must be provided.

Assistance with a Request for Internal Advice

U.S. Customs regulations provide that questions arising from current or completed transactions should be resolved by means of the *Internal Advice Procedure* at the port of entry. A request for internal advice can be filed by either the importer or his customs broker. The U.S. Customs field office will review the request and notify the importer of any points with which they do not agree.

The Tariff Affairs Division can provide valuable assistance and suggestions regarding points of law and previously established customs practice that may support the importer's request for internal advice.

Submissions to the Tariff Affairs Division should contain:

- 1) copies of *all* documents related to the entry of the merchandise concerned, including those issued by U.S. Customs;
- 2) a statement of *all* the facts relating to the transaction, generally following the outline of a request for a binding tariff classification ruling.

The Customs Service may, at its discretion, refuse to consider a request for internal advice if, in their opinion, a clear and definitive Customs precedent supports their position. If the importer disagrees with that view he may, within 90 days after liquidation of the entry, file a request with U.S. Customs for a *Protest Review*.

Assistance with a Request for Protest Review

When a protest review is requested, the Tariff Affairs Division can assist the importer and his broker in preparing the request by providing advice and suggestions on what information can be used to support the importer's case.

In order for this assistance to be effective, this Division must be furnished with all information regarding what has taken place. Such information should include the following:

- 1) all information as listed pertaining to a binding tariff classification ruling request;
- 2) a copy of the Customs entry under protest; and
- 3) all correspondence (no matter how trivial) between the importer, the broker and the U.S. Customs authorities regarding the subject under protest.

In those cases where a protest review is to be requested because an importer's request for internal advice has been denied by the U.S. Customs Service, the following information should also be submitted to the Tariff Affairs Division:

- a) a copy of the U.S. Customs refusal to consider the Internal Advice Request;
- b) a copy of the Request for Internal Advice, including all supporting documents as well as the information outlined in the request for internal advice assistance.

Entry at Customs

Goods may be entered "for consumption" or entered "for warehouse" at the port of arrival in the United States, or they may be transported in bond to another port of entry and entered there under the same conditions as at the port of arrival.

For such transportation in bond to an interior port, an immediate transportation entry (I.T.) must be filled out at the port of arrival by either the consignee, the carrier, the U.S. customhouse broker, or any other person having a demonstrable interest in the goods. In cases where the Canadian exporter assumes responsibility for clearing the goods through U.S. Customs, he may find that there are advantages in having shipments entered for consumption at the nearest or most convenient port of arrival. In this way he can remain in close touch with the broker and U.S. Customs at that port of entry. In cases where the U.S. purchaser intends to make his own entries, however, it may be more convenient to have the goods carried in bond from the port of arrival to the interior port nearest the importer.

Who May Enter Goods

Goods may be entered by the consignee, an authorized employee or his agent. The only agents who can act for importers in customs matters are licensed U.S. customhouse brokers. They prepare and file the necessary customs entries, arrange for payment of duties and release of goods, and otherwise represent their principals in customs matters.

Goods may be entered by the consignee named in the bill of lading under which they are shipped, or by the holder of a bill of lading properly endorsed by the consignee. When the goods are consigned "to order", they may be entered by the holder of the endorsed bill of lading. An air waybill may be used for merchandise arriving by air. In most instances, entry is made by a person or firm certified by the carrier to be the owner of the goods for customs purposes. When goods are not imported by a common carrier, possession of the goods at the time of arrival in the United States is sufficient to authorize entry.

Entry of goods may be made by a nonresident individual or partnership, or by a foreign corporation, through an agent or representative of the exporter in the United States, a member of the partnership or an officer of the corporation. The surety on any customs bond required from a nonresident individual or organization must be incorporated in the United States. In addition, a Canadian corporation in whose name merchandise is entered

must have a resident agent authorized to accept service of process in its behalf in the state where the port of entry is located.

In general, to facilitate customs clearance it is advisable to contact a licensed U.S. customhouse broker who will outline the services he can provide, together with particulars on brokerage fees and other related matters.

Documentation

Normally the only documents required when shipping to the United States are a bill of lading or air waybill, plus a special U.S. Customs invoice 5515 and commercial invoice. Use of a typewriter in preparing documents is preferred; in any case, they must be legible.

NOTE: Do not use red ink to fill out documents.

Bill of Lading or Air Waybill

Normally, U.S. Customs authorities require a bill of lading or air waybill for Canadian shipments. The shipping receipt may be accepted in lieu if Customs is satisfied that no bill of lading or air waybill has been issued. Entry and release of merchandise may be allowed without the bill of lading or air waybill if satisfactory bond is given in a sum equal to one and one-half times the invoice value of the merchandise. In certain circumstances a carrier's certificate, or duplicate bill of lading, or air waybill may be deemed acceptable.

Invoice

Shipments in excess of \$500 and subject to an ad valorem rate of duty, conditionally free of duty, or subject to duty depending in some manner upon their value, should be accompanied at entry by a U.S. special customs invoice form 5515 and a commercial invoice. Copies of the commercial invoice are sufficient for shipments with an aggregate value not exceeding \$500, duty-free shipments, or shipments of articles subject to specific rates of duty.

Completion of Form 5515

U.S. Customs forms 5515 are available free of charge from U.S. consular offices in Canada or can be obtained from commercial stationers. Although U.S. Customs requires only one copy, as a rule three are forwarded: one for use by U.S. Customs when the goods are examined; one to accompany the entry; and one for the U.S. customhouse broker's records. District directors of U.S. Customs are authorized to waive provision of special and commercial invoices if they are satisfied that the importer, owing to conditions beyond his control, cannot furnish a complete and accurate invoice; or that the examination of merchandise, final determination of duties and collection of statistics can be made without such an invoice. In such cases, the importer must file the following documents:

- 1) all invoices received from the seller or shipper;
- 2) a statement pointing out in exact detail any inaccuracies, omissions or other flaws in the invoice(s);
- 3) a pro forma invoice, properly drawn;
- 4) any other information required for classification, appraisement or statistical purposes.

Special information is sometimes required with respect to certain classes of goods if the customs or commercial invoice lacks all the information that is needed for classification and appraisal.

Packing List

U.S. Customs authorities require three copies of a detailed packing list. The list should describe the contents of each box, barrel or package in the shipment. If the shipment comprises uniformly packed containers, this can be stated on the invoice, along with an indication of the number of items.

Payment of Duties

There is no provision for prepayment of duties in Canada before exportation to the United States, but the Canadian exporter may arrange for payment by a U.S. customhouse broker or other agent so as to offer his goods to U.S. buyers at a duty-paid price.

Liability for payment of duty usually becomes fixed at the time an entry for consumption or for warehouse is filed with U.S. Customs. The liability is not fixed on the amount of duty that is estimated at the time of the original entry. When the entry is liquidated, the final rate and amount of duty are ascertained. Payment must be made by the person or firm in whose name the entry is filed.

Temporary Free Importation

Certain articles not imported for sale, or for sale on approval, may be admitted into the United States under bond duty free. Generally, the amount of the bond is double the estimated duties.

Such articles must, in most cases, be exported within one year from the date of importation. Upon application to the district or port director, that period may be extended to a maximum of three years, including the initial year.

Such articles may include:

- articles for repair, alterations or processing (but not manufacture);
- models of women's apparel by manufacturers;
- articles for use as models by illustrators and photographers solely for illustrating;
- samples for order taking;
- articles for examination and reproduction (except photoengraved printing plates for examination and reproduction);
- motion picture advertising films;
- articles for testing, experimental or review purposes. (Plans, specifications, drawings, blueprints, photographs for use in study or for experimental purposes may be included.) In such cases, satisfactory proof of destruction as a result of the tests, in the form of a proper affidavit of destruction, will waive the exportation requirement;
- automobiles, motorcycles, bicycles, airplanes, airships, balloons, boats, racing shells and similar vehicles, craft and related equipment used by non-residents for taking part in races or other specific contests;
- locomotives and other railroad equipment for use in clearing obstructions, fighting fires, or making emergency railroad repairs in the United States;

- containers for compressed gases, and other reusable containers and articles covering or holding merchandise during transportation;
- professional equipment, tools of trade, repair components for equipment or tools admitted under this heading, and camping equipment imported by, or for, nonresidents sojourning temporarily in the United States and intended for their use;
- articles of special design for temporary use exclusively in the production of articles for export;
- animals and poultry for breeding, exhibition, or competition for prizes;
- theatrical scenery, properties and apparel for use by proprietors or managers of theatrical exhibitions, entering the United States;
- works of art, photographs, philosophical works and scientific apparatus brought into the United States by professional artists, lecturers or scientists arriving from abroad, for use by them in exhibition and the promotion of art, science or industry in the United States;
- automobiles, automobile chassis, automobile bodies — finished, unfinished or cutaway — when intended solely for show purposes. The temporary importation bond in such cases is limited to six months, with no right of extension.

Commercial Travellers — Samples

Samples accompanying a commercial traveller may be admitted and noted on the importer's baggage declaration. In such cases, an adequate descriptive list or a U.S. special customs invoice must be provided. The personal bond of the commercial traveller is usually accepted to guarantee timely exportation of the samples under U.S. Customs supervision. Penalty for failure to export the samples entails loss of the privilege on future trips.

U.S. Antidumping and Countervail Statutes

Due to the complexity of these statutes, exporters are encouraged to contact the Office of United States Relations of the Department of External Affairs for answers to any specific questions.

The U.S. Trade Agreements Act of 1979 was enacted into law on July 26, 1979, and encompasses those changes to the current United States antidumping and

countervailing-duty law necessary for implementation of the international agreements negotiated in the Multi-lateral Trade Negotiations (Tokyo round) of the General Agreement of Tariffs and Trade (GATT).

Antidumping

If a U.S. company has reason to believe that a product is being sold in the United States at a price lower than its home-market price, an antidumping complaint may be filed with the U.S. Commerce Department. The antidumping petition must contain information to support the dumping allegations as well as evidence of injury suffered by the affected U.S. industry.

A U.S. antidumping investigation must be conducted within specified periods:

(1) Within 20 days of receipt of an antidumping petition, the Secretary of Commerce must decide whether or not to initiate an investigation. If it is determined that a petition does not properly establish a basis on which antidumping duties may be imposed, the proceeding is terminated. If the Secretary of Commerce determines that the petition contains sufficient information in support of the allegations, however, a full-scale investigation is launched.

(2) Within 45 days from the date a petition was filed, the International Trade Commission (ITC) must determine whether there is a reasonable indication of injury. If not, the case is closed.

(3) In general, within 160 days after the date on which a petition has been filed, the Secretary of Commerce makes a preliminary determination of dumping. If dumping is adjudged, liquidation of all entries of merchandise subject to the determination is suspended, and provisional duty — in the form of a cash deposit or bond — is required for the entry of the merchandise, equal to the estimated amount by which the foreign market value exceeds the United States price.

(4) Within 75 days of the preliminary determination, a final determination of sales at less than fair value, by the Secretary of Commerce, will be due.

(5) Following an affirmative preliminary decision of sales at less than fair value, the ITC must determine injury within 120 days of the preliminary determination. If the ITC rules that there has been no injury, the case is closed; any cash deposited is refunded, and any

bond posted is released. If injury is adjudged, the Secretary of Commerce will impose an antidumping duty equal to the difference between the price demanded for the merchandise and its domestic U.S. price.

(6) Antidumping duty orders are subject to automatic annual review, and requests for a review will be entertained at any time, provided changed circumstances warrant it.

Countervail

Under the revised U.S. Countervailing Duty Statute, an additional duty may be imposed on articles, imported into the United States (whether or not they are subject to duty), if any bounty or grant has been made on their manufacture, production or export. All cases are subject to an injury determination by the ITC. The time frame for an investigation is similar to that of an antidumping investigation. The Secretary of Commerce's decision on the subsidy and the ITC's injury determination may be appealed to the U.S. Court of International Trade.

Should any difficulty arise in connection with this statute, it is suggested that exporters contact the Office of United States Relations, Department of External Affairs, as soon as possible.

Marking of Goods

Country of Origin Marking

Generally, all goods imported into the United States must bear a legible and conspicuous indication of their country of origin in the English language.

Stickers or tags may be used if they are sturdy enough to resist removal before they reach their ultimate destination.

Certain small instruments and utensils must be marked by die-stamping, cast-in-the-mould lettering, etching or engraving, or by means of metal plates securely attached to the articles.

The U.S. Customs Service may exempt certain articles from those specific requirements when the containers are suitably marked.

Composition Marking

Any product containing woolen fibre (except carpets, rugs, mats and upholsteries, or articles made more than 20 years before importation) must be clearly marked:

1) to identify the manufacturer or the person marketing the product; 2) with a statement indicating the total percentage of the product's fibre content; and 3) with the maximum percentage, by weight, of any nonfibrous loading, filling or adulterating matter in the product. If not suitably marked, an opportunity for proper identification may be granted under U.S. Customs supervision.

When a product contains imported fabric, the fabric's country of origin must be identified.

Fur products must be identified by its animal source and country of origin and bear the manufacturer's or marketer's name. In addition, when they are used or damaged, bleached, dyed or otherwise artificially colored, or composed substantially of paws, tails, bellies or waste fur, they must be so marked.

Food Labelling

All imported foods, beverages, drugs, medical devices and cosmetics are subject to inspection by the U.S. Food and Drug Administration (FDA) at the time of entry into the United States. Although the FDA is not authorized to approve or pass upon the legality of specific consignments before they are shipped, it will offer comments on proposed labels and answer other enquiries from importers and exporters. Advice on proposed food labels may also be obtained from the Office of United States Relations, Department of External Affairs in Ottawa.

Import Prohibitions and Restrictions

In addition to goods prohibited entry by most countries in the world (such as obscene, immoral or seditious literature; narcotics, counterfeit currency or coins), certain commercial goods are also prohibited or restricted. Moreover, various types of merchandise must conform to laws enforced by government agencies other than the United States Customs Service. Fur products are also subject to the Endangered Species Act, and importation of certain fur skins is prohibited.

Animals

Shipments of cattle, sheep, goats, swine and poultry must be accompanied by a certificate from a salaried veterinarian of the Canadian government so as to avoid delays in quarantine.

Wild animals and birds that have been captured, taken, shipped, possessed or exported contrary to laws of the foreign country of origin may not enter the United States. In addition, no such animal or bird may be taken, purchased, sold or possessed contrary to the laws of any state, territory or possession of the United States.

Plants and Plant Products

U.S. Department of Agriculture import permits are required for all imported plants and plant products, and some regulations restrict or prohibit importation.

Shipments of agricultural and vegetable seeds and screenings are detained pending the drawing and testing of samples. Importation of such items is governed by the Federal Seed Act of 1939 and regulations of the Agricultural Marketing Services, U.S. Department of Agriculture.

Postal Shipments

Parcels of aggregate value not exceeding US \$5 may be admitted free of duty.

Commercial shipments valued above that figure must include a commercial invoice and a customs declaration on the form provided by the Canadian Post Office and give an accurate description of the shipments' contents and value. The customs declaration must be securely attached to the package.

If the shipment comprises two or more packages, the one containing the commercial invoice should be marked "Invoice Enclosed." Accompanying packages may be marked as "No. 2 of 3, Invoice Enclosed in Package No. 1."

A shipment in excess of \$500 aggregate value must include a U.S. special customs invoice (form 5515) and a commercial invoice. A shipment under \$250 aggregate value will be delivered to the addressee. Duties and delivery fees for each package are collected by the postman. Parcels containing bona fide gifts (excluding

alcoholic beverages, tobacco products and perfumes) to the United States residents will be passed free of duty provided the aggregate value received by one person on one day does not exceed \$25. No postal delivery fee will be charged. Any such parcel must be marked as a gift, and its value and contents must be indicated on the parcel.

Returning American Goods

U.S. products may be returned to the United States duty free if they have not been advanced in value or improved abroad.

Articles exported from the United States for repair or alterations abroad are subject to duty based on the value of the repairs or alterations. The term "repairs or alterations" means restoration, change, addition, renovation, cleaning or any other treatment that does not destroy the identity of the article or convert it into a new or different article. Any article of nonprecious metal manufactured in the United States, exported for further processing, and returned to the United States for additional processing, is subject to a duty on the value of the processing effected outside the United States.

The cost or value of U.S. component parts exported abroad for use only in the assembly of foreign produced goods, and subsequently imported into the United States, may be deducted from the value for duty provided that, while those parts were abroad, they were not subjected to any alteration other than those that are required for normal assembly (such as cleaning, lubricating and painting).

Special U.S. Customs procedures must be followed in returning goods of American origin to the United States. Relevant details may be obtained from United States import specialists at border points and from the Office of United States Relations, Department of External Affairs, Ottawa.

Duty on Containers

The following types of containers may enter free of duty when they are used in shuttle service:

- 1) U.S. containers and holders (including shooks and staves) when they re-enter the United States as boxes or barrels containing merchandise;
- 2) duty-paid foreign containers that have been previously imported; and
- 3) containers of a type specified by the Secretary of the Treasury as instruments of international traffic.

One-trip containers are included in the dutiable value of the goods.

VI. STATISTICS

Canadian Exports to Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina and Tennessee in 1981

(C \$ thousands)

	Alabama	Florida	Georgia
Live animals	135	212	545
Food, feed, beverages and tobacco	2,835	35,834	8,390
Crude materials, inedible	123,872	17,885	22,516
Fabricated materials, inedible	108,255	347,186	210,886
End products, inedible:			
Machinery, industrial	15,344	52,200	25,125
Agricultural machinery and tractors	2,844	4,377	5,316
Transportation equipment	26,866	73,880	139,982
Other equipment and tools	10,137	101,494	126,817
Personal and household goods	700	3,789	9,195
Miscellaneous end products	1,153	11,130	6,159
Total end products, inedible	57,044	246,870	322,594
Special transactions, trade	203	2,668	959
Total domestic exports	292,344	650,655	565,889

Mississippi	North Carolina	South Carolina	Tennessee	Total
35	642	251	450	2,275
1,632	15,167	5,666	9,481	79,005
716	21,155	5,978	144,765	336,887
34,689	208,713	106,112	312,015	1,327,856
15,414	32,800	24,423	26,974	202,280
5,745	4,845	5,248	11,917	40,292
12,875	29,294	9,090	43,556	335,553
4,258	66,647	9,669	41,907	360,929
244	4,802	594	2,360	21,684
1,127	6,721	2,588	5,181	34,059
39,663	145,108	51,612	131,895	994,786
44	1,154	331	592	5,951
76,778	391,945	169,951	599,198	2,746,760

Main Canadian Exports 1981

(C \$ millions)

Alabama

Lumber (softwood)	21.9
Fertilizers and fertilizer material	13.5
Aluminum, including alloys	13.5

Florida

Lumber (softwood)	117.3
Newsprint	124.4
Other telecommunication and related equipment	51.5
Materials-handling machinery and equipment	26.4

Georgia

Lumber (softwood)	57.0
Wood pulp and similar pulp	29.4
Motor vehicle parts (engines excepted)	102.2
Other telecommunication and related equipment	28.6
Office machines and equipment	73.5

Mississippi

Lumber (softwood)	8.2
Wood pulp and similar pulp	7.3
Synthetic rubber and plastics materials	4.4
Other transportation equipment	9.1

North Carolina

Lumber (softwood)	42.5
Wood pulp and similar pulp	22.9
Aluminum (including alloys)	24.3
Other telecommunication and related equipment	42.9
Petroleum and coal products	14.8

South Carolina

Lumber (softwood)	16.6
Wood pulp and similar pulp	12.2
Newsprint	23.2
Engines and turbines (general purpose)	8.5

Tennessee

Natural gas	138.1
Lumber (softwood)	28.9
Wood pulp and similar pulp	36.1
Newsprint	36.5
Other paper for printing	23.6
Other inorganic chemicals	88.3
Motor vehicle parts (engines excepted)	23.9
Other telecommunication and related equipment	29.3

VII. YOUR BUSINESS VISIT TO THE SOUTHEASTERN STATES

There is no substitute for a personal visit. Correspondence, while better than nothing, does not excite the sophisticated southeastern businessman. He wants to see the product and discuss the potential transaction personally with his supplier. A great deal of information is exchanged by telex and telephone.

Services of the Trade Commissioner

The commercial division of the Canadian Consulate General in Atlanta is geared to liaise between Canadian and local U.S. businessmen and industrialists. It actively seeks business opportunities for Canada in its territory and relays its findings to firms thought to be interested and capable. Potential buyers and sellers are introduced to each other, and guidance is provided as required. Market surveys of reasonable scope are conducted on behalf of Canadian firms, and agents, distributors or other means of distribution are recommended. A room is available at the Consulate General for product displays and in-office shows. The Consulate General is open from 8:30 a.m. to 4:45 p.m., Monday to Friday.

Advise and Consult the Trade Commissioner

When planning your first business visit to the southeast, advise the commercial division of the Consulate General well in advance. Tell the purpose of your visit and include several copies of your product brochures. It will help you and all concerned if you work out the c.i.f. prices on at least some of your products. You should also list any contacts you may already have made with the local business community.

With that information in hand, the commercial staff will be able to arrange a tentative itinerary and make appointments on your behalf that you can confirm upon arrival. Because businessmen are visiting the southeast

in ever increasing numbers, it is recommended that you arrange hotel reservations yourself or through your travel agent.

The southeast represents a large and growing market, that is often difficult to penetrate, so that follow-up visits are essential. A single visit is not likely to generate business.

When to Go

The best times to visit the southeastern United States are spring or fall. Businessmen should avoid the Christmas – New Year period. Also, before you visit during the July and August vacation period, ensure that the people you wish to see are not vacationing. Bear in mind that buying schedules may vary somewhat from those in Canada. The commercial division will gladly help you in this regard.

How to Get There

Airlines

Atlanta is readily accessible by air from all parts of North America. Connecting flights to all other southeastern centres can be arranged through Atlanta. Hartsfield International Airport in Atlanta is the largest airport in the world, and it recently became the busiest.

Nonstop service is provided from Toronto and Montreal to Miami, Tampa and Atlanta. Flights to Atlanta can be made through intermediary stops such as Buffalo, Chicago, Detroit, Pittsburgh, Boston, New York, Denver and Seattle.

Rail

Amtrak offers services to Atlanta and Miami from the northeastern United States, with connections into Canada.

Buses

Greyhound Bus Lines and Trailways Bus Lines operate regular bus service between major Canadian cities and the major cities of the southeast, on to Miami.

Roads

The U.S. Interstate Highway System provides a wide range of routes. The principal ones are Interstate Highway 75 through Detroit to Atlanta and Orlando, Florida; and interstate 85 through the Carolinas to Atlanta, Alabama and Mississippi.

Where to Stay

The Consulate General in Atlanta will be pleased to recommend suitable hotels and motels. Atlanta is developing into one of the world's major convention centres, so that hotel space is sometimes hard to find. Lodgings should be confirmed well in advance of your visit.

Similarly the southern Florida area and Puerto Rico are major tourist destinations, and care should be taken to ensure that hotel space is booked well in advance.

Convention and visitors' bureaux located in all major cities in the southeast, maintain large lists of hotels and motels too numerous to be included in the "Useful Addresses" chapter. Hotel arrangements can usually be made through travel agencies or by dialing the Zenith lines of the major hotel chains.

VIII. USEFUL ADDRESSES

Canadian Consulate General

4th Floor
400 Omni International
Atlanta, GA 30303, USA
Tel: (404) 577-6810

Government of Ontario

233 Peachtree Street
Suite 501
Atlanta, GA 30303, USA
Tel: (404) 681-1524

Government of Québec

230 Peachtree Street
Suite 1510
Atlanta, GA 30303, USA
Tel: (404) 581-0488

Canadian Banks

Atlanta

The Bank of Nova Scotia

2 Peachtree Street
Suite 909
Atlanta, GA 30303, USA
Tel: (404) 581-0907

Toronto Dominion Bank

225 Peachtree Street
Suite 1600
Atlanta, GA 30303, USA
Tel: (404) 522-9360

Canadian Imperial Bank of Commerce

2 Peachtree Street
Suite 1400
Atlanta, GA 30303, USA
Tel: (404) 577-1628

Miami

The Royal Bank of Canada

777 Brickell Avenue
Suite 908
Miami, FL 33131, USA
Tel: (305) 371-6615

The Bank of Nova Scotia

Miami Agency, Suite 1600
2 S Biscayne Boulevard
Miami, FL 33131, USA
Tel: (305) 358-4920

The Royal Trust Bank of Miami

527 Southwest 27th Avenue
Miami, FL 33135, USA
Tel: (305) 547-4073

Puerto Rico

The Royal Bank of Canada

Pan Am Building
Hato Rey, Puerto Rico
Tel: 753-2000

The Bank of Nova Scotia

Mercantil Plaza
Building
Hato Rey, Puerto Rico
Tel: 753-2323

U.S. Banks with International Departments

Atlanta

First National Bank of Atlanta

2 Peachtree Street
Atlanta, GA 30303, USA
Tel: (404) 588-5000

Trust Company Bank

One Park Place
Atlanta, GA 30303, USA
Tel: (404) 588-7711

Citizens & Southern National Bank

25 Broad Street
Atlanta, GA 30303, USA
Tel: (404) 581-2121

Columbia

South Carolina National Bank

1241 Mail Street
Columbia, SC 29202, USA
Tel: (803) 765-3057

Miami

SE 1st National Bank of Miami

100 South Biscayne
Boulevard
Miami, FL 33131, USA
Tel: (305) 577-4272

Flagship National Bank of Miami

777 Brickell Avenue
Miami, FL 33131, USA
Tel: (305) 579-7210

Charlotte

First Union Corp.

301 Tryon Street
Charlotte, NC 28288, USA
Tel: (704) 374-6565

North Carolina National Bank

North Carolina National
Bank Plaza
Charlotte, NC 28255, USA
Tel: (704) 374-8780

Nashville

Third National Bank

Third National Bank
Building
Nashville, TN, USA
Tel: (615) 749-4289

First American National Bank

First American Center
Nashville, TN 37237, USA
Tel: (615) 748-2821

Commerce Union Bank

One Commerce Place
Nashville, TN 37239, USA
Tel: (615) 748-3038

Birmingham

AmSouth Bancorporation (1st National Bank of Birmingham)

Suite 1400 1st National-
Southern Natural
Building
Birmingham, AL, USA
Tel: (205) 326-5486

Memphis

First Tennessee Bank, N.A.

P.O. Box 84
Memphis, TN 38101, USA
Tel: (901) 523-4430

Jackson

Deposit Guaranty National Bank

One Deposit Guaranty
Plaza
Jackson, MS 39205, USA
Tel: (601) 354-8583

State Industrial Development Offices

International Division

Georgia Department of Industry and Trade
1400 North Omni International
Atlanta, GA 30303, USA
Tel: (404) 656-3545

Alabama Development Office

State Capitol
Montgomery, AL 36130, USA
Tel: (205) 832-6980

Senior International Representative

Bureau of International Trade
and Development
107 West Gaines Street, G-26 Collins
Building
Tallahassee, FL 32301, USA
Tel: (904) 488-9553

Coordinator

Agri-Business Services

Mississippi Department of Economic
Development
P.O. Box 849
Jackson, MS 39205, USA
Tel: (601) 354-6707

International Division

State of North Carolina
Department of Commerce
Raleigh, NC 27611, USA
Tel: (919) 733-7197

Deputy Director

South Carolina State Development Board

P.O. Box 927
Columbia, SC 29202, USA
Tel: (803) 758-2880

Senior Industrial Development Consultant

Department of Economic and
Community Development
Andrew Jackson Building, 10th Floor
Nashville, TN 37219, USA
Tel: (615) 741-2549

REGIONAL CONTACTS

If you have not previously marketed abroad, contact any regional officer of the Department of External Affairs at the addresses listed below.

Newfoundland and Labrador

P.O. Box 64
Atlantic Place, Suite 702
215 Water Street
St. John's, Newfoundland
A1C 6C9
Tel: (709) 737-5511
Telex: 016-4749

Nova Scotia

Duke Tower, Suite 1124
5251 Duke Street
Scotia Square
Halifax, Nova Scotia
B3J 1P3
Tel: (902) 426-7540
Telex: 019-21829

New Brunswick

440 King Street, Suite 642
Fredericton, New Brunswick
E3B 5H8
Tel: (506) 452-3190
Telex: 014-46140

Prince Edward Island

P.O. Box 2289
Dominion Building
97 Queen Street
Charlottetown, Prince
Edward Island
C1A 8C1
Tel: (902) 892-1211
Telex: 014-44129

Québec

C.P. 1270, Succursale B
685, rue Cathcart, pièce 512
Montréal (Québec)
H3B 3K9
Tel: (514) 283-6254
Telex: 055-60768

2, Place Québec, pièce 620
Québec (Québec)
G1R 2B5
Tel: (418) 694-4726
Telex: 051-3312

Ontario

P.O. Box 98
1 First Canadian Place,
Suite 4840
Toronto, Ontario
M5X 1B1
Tel: (416) 369-4951
Telex: 065-24378

Manitoba

Manulife House, Suite 507
386 Broadway Avenue
Winnipeg, Manitoba
R3C 3R6
Tel: (204) 949-2381
Telex: 075-7624

Saskatchewan

2002 Victoria Avenue,
Room 980
Regina, Saskatchewan
S4P 0R7
Tel: (306) 359-5020
Telex: 071-2745

**Alberta and
Northwest Territories**

Cornerpoint Building,
Suite 505
10179-105th Street
Edmonton, Alberta
T5J 3S3
Tel: (403) 420-2944
Telex: 037-2762

**British Columbia and
Yukon**

P.O. Box 49178
Bentall Centre, Tower III,
Suite 2743
595 Burrard Street
Vancouver, British Columbia
V7X 1K8
Tel: (604) 666-1434
Telex: 04-51191

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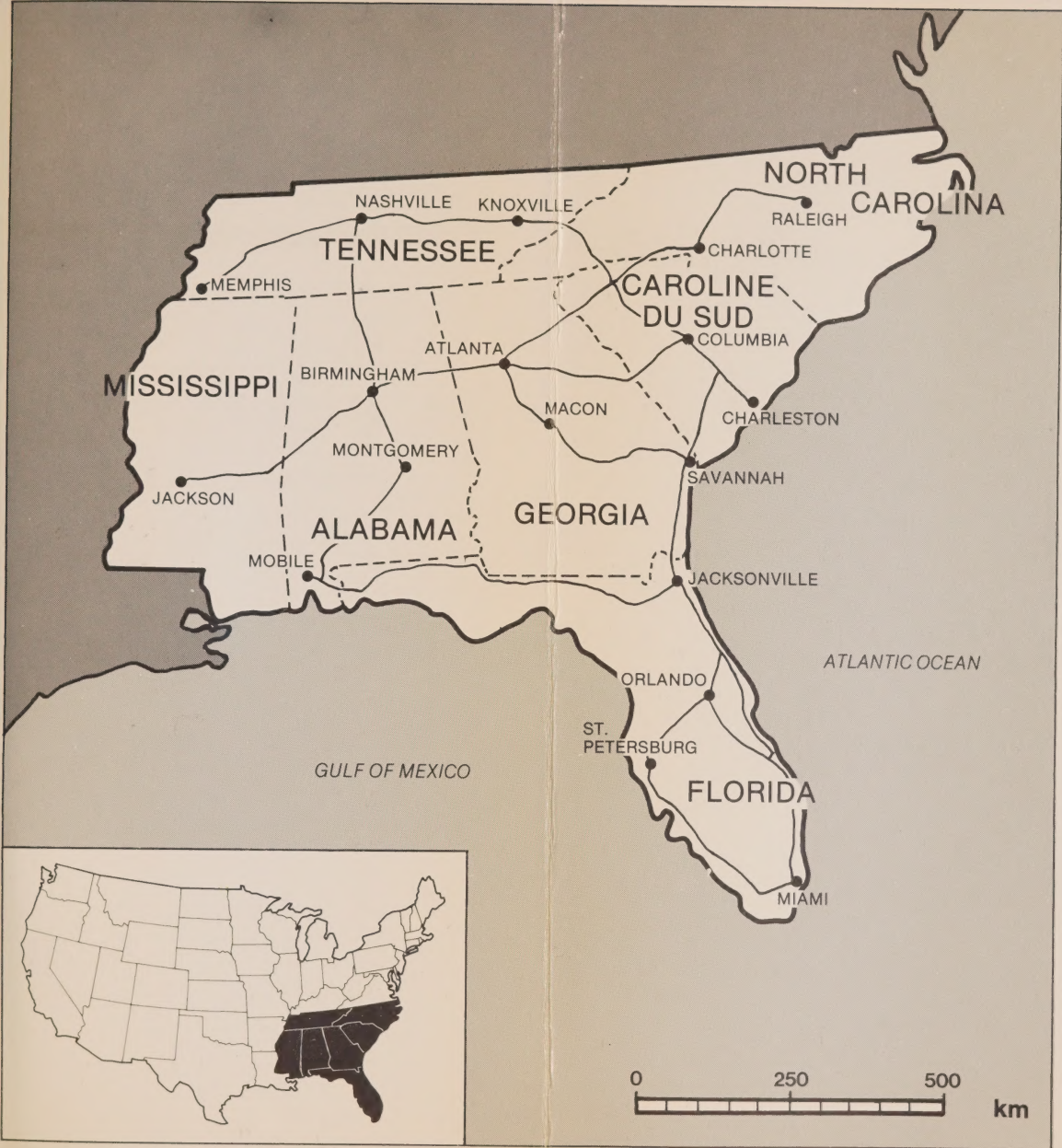
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External Affairs
Canada

Affaires extérieures
Canada

Canada